

SENATE BILL 836

By Briggs

AN ACT to amend Tennessee Code Annotated, Title 56  
and Title 71, relative to coverage for mental health  
treatment.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 56-7-2360, is amended by adding  
the following as new subsections:

(i) The department of commerce and insurance shall implement and enforce  
applicable provisions of the Paul Wellstone and Pete Domenici Mental Health Parity and  
Addiction Equity Act of 2008, P.L. 110-343, this section, § 56-7-2601, and § 56-7-2602,  
which include:

- (1) Ensuring compliance by individual and group health benefit plans;
- (2) Detecting possible violations of the law by individual and group health  
benefit plans;
- (3) Accepting, evaluating, and responding to complaints regarding such  
violations;
- (4) Maintaining and regularly reviewing for possible parity violations a  
publicly available consumer complaint log regarding mental health and  
alcoholism or drug dependence coverage; provided, that individually identifiable  
information shall be excluded; and
- (5) Performing parity compliance market conduct examinations of  
individual and group health benefit plans, including, but not limited to, reviews of  
network adequacy, reimbursement rates, denials, and prior authorizations.

(j) Not later than June 1 of each year, the department shall issue a report to the general assembly and provide an educational presentation to the general assembly.

Such report and presentation shall:

(1) Discuss the methodology the department is using to check for compliance with the federal Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008 (MHPAEA), P.L. 110-343, and any federal regulations or guidance relating to the compliance and oversight of the MHPAEA, including 45 CFR 146.136;

(2) Discuss the methodology the department is using to check for compliance with this section, § 56-7-2601, and § 56-7-2602;

(3) Identify market conduct examinations conducted or completed during the preceding twelve-month period regarding compliance with parity in mental health and alcoholism or drug dependence benefits under state and federal laws and summarize the results of such market conduct examinations; provided, that individually identifiable information shall be excluded from the reports consistent with federal privacy protections. This discussion shall include:

(A) The number of market conduct examinations initiated and completed;

(B) The benefit classifications examined by each market conduct examination;

(C) The subject matter of each market conduct examination, including quantitative and non-quantitative treatment limitations; and

(D) A summary of the basis for the final decision rendered in each market conduct examination;

(4) Detail any educational or corrective actions the regulatory agency has taken to ensure health benefit plan compliance with MHPAEA, 42 U.S.C 18031(j), this section, § 56-7-2601, and § 56-7-2602; and

(5) Detail the department's educational approaches relating to informing the public about mental health and alcoholism or drug dependence parity protections under state and federal law.

(k) The report issued pursuant to subsection (j) must be written in non-technical, readily understandable language and shall be made available to the public by posting the report on the department's website and by other means as the department finds appropriate.

(l) The commissioner shall monitor health benefit plan claims denials for mental health and alcoholism or drug dependence benefits on the grounds of medical necessity. The commissioner shall examine denial rates for these benefits among inpatient in-network benefits, inpatient out-of-network benefits, outpatient in-network benefits, outpatient out-of-network benefits, prescription drugs, and emergency care. The commissioner shall study and compare denial rates among the health benefit plans and shall request additional data if significant discrepancies in denial rates are found.

SECTION 2. This act shall take effect July 1, 2017, the public welfare requiring it.